

STATE OF TEXAS §
COUNTIES OF ARANSAS §
SAN PATRICIO AND NUECES §
CITY OF ARANSAS PASS §

On this the 13th day of September, 2005 the Aransas Pass Municipal Development District convened in a Regular Meeting being open to the Public at Temple of Praise Church, 700 W. Greenwood, Aransas Pass, Texas and notice of said meeting giving the time, place, date and subject hereof having been posted and prescribed by Chapter 551 of the Texas Government Code with the following attendance to wit constituting a quorum.

ARANSAS PASS MUNICIPAL
DEVELOPMENT DISTRICT
PRESENT:

ROBERT JAYNE	President
HOPE COMINGORE	Vice President
SHERRI TRINGALI	Secretary
RANDY BOATMAN	Member
JESSE GALVAN	Member
NAOMI HANSEN	Member
DON MCTEE	Member
LAURA WELBORN	Member
DON WILLIAMS	Member

ABSENT:

JIMMY TURNER	Member
--------------	--------

STAFF PRESENT:	DEBRA KELLER	Executive Director/Treasurer
	ADA OWENS	Recording Secretary

STAFF ABSENT:	None
---------------	------

OTHERS PRESENT:	SCOTT THOMPSON	City Manager
	DARREN GURLEY	Public Works Director

ITEM 1.

CALL MEETING TO ORDER.

President Jayne called the Meeting to order at 6:30 P.M. on September 13, 2005. President Jayne stated there was a quorum present.

ITEM 2.

APPROVAL OF MINUTES OF REGULAR MEETING OF AUGUST 11, 2005.

Vice President Comingore made the motion the minutes of the regular meeting of August 11, 2005 be approved. Secretary Tringali seconded the motion. Motion carried.

ITEM 3.

CONSIDER AND ACT ON EXCUSED ABSENCES.

Member Turner is still recuperating from knee replacement surgery. Member Welborn was excused for the August 11, 2005 meeting.

Secretary Tringali made the motion Member Turner and Member Welborn be excused. Member Hansen seconded the motion. Motion carried.

ITEM 4.

REPORT FROM CITY MANAGER ON LAND FOR COMMUNITY CENTER.

Mr. Thompson stated at the last District meeting he was asked to investigate property around the Roosevelt Stadium area. He has a preliminary appraisal and the Board has the field notes. If they need the entire property, he recommended they not go for Block 351 as it appraised for \$630,000 by itself, was offset and did not line up with the rest of the property. He stated they were looking at approximately \$1.4M for the property (as outlined on the map).

Mr. Thompson stated he had been in contact with an architect and received a proposal. He stated he would like to get approval from the Board to meet with the architect so he can get the information he needs with regards to the civic center and the Board's ideas so the architect can do a preliminary design. He believed this needed to be done so the Board would know how much property they would need for the civic center area and would be crucial before they do anything else so they will know exactly what they need, then everything would be incorporated into the design that the Board wants and the City wants in regards to the City Hall aspects of this design.

Mr. Thompson stated he had noticed the Board has a consider and act on recommendation to the City Council on land for the community center. He recommended the Board spend the money necessary (\$9,170) for the architect.

Mr. Gurley stated the reason they chose this architect (WMKC Architects) is he is the architect that designed the new Public Works Service Center and the City works very well with him. The architect knows he may not get the job, but he is willing to do the preliminary for the civic center, help them decide how much land is needed, and what is wanted.

Mr. Thompson stated if the Board agrees to use this architect, he would like the architect to sit in at the next meeting and start some sort of dialogue between the Board and the City, those that are going to be participating in the design of the City Hall.

Member Williams asked was the architect from Aransas Pass?

Mr. Gurley stated the architect was from Corpus Christi and was the one that has done most of the work for the City for many years. This architect re-did the outside of City Hall, the Library, and the Public Works building.

Member Williams asked if the architect had anything similar to a civic center?

Mr. Gurley stated the architect had designed the Portland Civic Center, the new HEB in Aransas Pass and several other buildings here. When the Board and City are ready to build the civic center, RFQ's (Request for Qualifications) will have to be done. The architect knows he may not be chosen, but he is willing to do the preliminaries.

Mr. Thompson stated this was a way to get things rolling, get their ideas down on paper and if the Board did not want to use this company for the final design then whatever the Board and Council want would be done.

Member Boatman stated the Board had already done some homework to determine how much land would be necessary to take care of the next 15 to 20 years. He asked Executive Director what did they do to determine that?

Executive Director stated there were two things done to determine that, one was prior to her joining the Board, architects looked at the old Wal Mart facility to see if it was feasible to make it into a community center and determined it was not feasible. The Board had Naismith Engineering look at the Johnson Avenue property (corner Johnson Avenue and Commercial Street) to see if it was feasible to build a community center there. The Board has not had anyone to determine the square footage needed for the community center; that is driven by budget, by land, and community needs. The Board has not gotten as far as getting an architect to go over a design. The Board thought the right direction was to get the land first, lock that in, then sit down with an architect to draw out a plan.

President Jayne stated most of the study was to get the land secured because of the lack of available property big enough for future growth.

Vice President Comingore stated she thought they came up with a building size out of their heads and asked (the engineers) how much parking would they need for a building that size, therefore how much property would they need.

Executive Director stated in the feasibility study, the engineers said if the Board was looking at a building 15,000 square feet, the amount of land needed for that size building and additional for growth would be eight to ten acres. The Board thought that would be ample property for what they would need and future growth.

Member Boatman asked did the Board have the answers for the architect if they chose to contract him? The architect is going to ask the Board what they want and does the Board have the answers? He stated he had not been on the Board long enough to understand all the Board wants.

Executive Director stated everything comes back to money and in the end it is your budget. The architect is going to ask what is the District's budget. Then the architect can talk about what they can do with that. The Board is going to have to say at some point what they want to spend on the project. In the City's proposed budget, there is about \$1.1M left in the Bond Fund, which is left over from the CO's issued for the District's two projects. She stated the District has a healthy fund balance, around \$2M, but part of that has to go to the debt service, which is about \$300,000 per year. The District does not want to spend all the fund balance because there could be things the District wants to do besides these two projects. At this point, the District needs to decide what is the Board willing to fund in an issue. The City is going to have to go out for an issue for a new city hall and all this could be tied together to have one issue and have less issue cost, but how much is it going to cost and what can the District fund long term, make the

community center work, and still be able to do other projects in the community. The Board can sit down with architects and go over the survey and what other communities said about their centers. Before the Board sits down with an architect, they are going to have to say what they want in the community center. When the Board gets to the point where the budget overrides, maybe they can phase future things in with the architect when funds are available. She stated she thought it was a good idea to meet with the architect. She asked if this company did the Portland community center.

Mr. Gurley stated this company (WMKC) did do the Portland center. The architect gave him a brochure and told him the Portland center had 32,000 square feet and cost \$3M and that was five years ago. He stated he did not know what size the Board was looking to build but he had discussed future growth to design the building so it can continue to improve.

Executive Director stated she did not know if the \$9,000 was just to meet with the architect.

Mr. Gurley stated it was to meet with him, do the preliminary sketch, an artist's rendering, lay out the floor plan until everyone agrees on it, and building costs.

Executive Director asked was that just for the community center or the city hall both?

Mr. Gurley stated it was for the whole thing (community center and city hall).

Executive Director stated along the way the costs would have to be divided out.

Member Williams asked who actually determines the design for the community center? The Board or the City Council?

Executive Director stated the Board would sit down with the survey taken two years ago and surveys taken from other community centers that gave a lot of good information, so the Board has the basic needs they can start off with and the things the Board would like to see in a community center. What she envisions the Board would do is sit down with an architect and give him the things the Board would like to see in a community center, have the architect design it, then sit down with the City Council to show them what the Board agrees on and go forward from there. The Board would make a recommendation to the City Council of what they see for a community center.

Member Williams asked so the Council is actually the group that would decide what the community center is going to be?

Executive Director stated yes, she thought the Council would need to be a part of it.

President Jayne stated the Council would have the final say.

Executive Director stated absolutely, she did not think the Board wanted to go forward and say this is the community center the District is going to build and the City is going to maintain and operate. That is not the

way to do that. The Board would want to do this with an architect that is going to do the whole thing. If it is sliced up it will cost more, if one architect gives a rendering and another does the plans. The Board is going to have a lot of information to give, so why not give it to one firm instead of having to do it twice.

Member Williams stated he thought that also applies to the city hall portion, while the city hall must remain separate it needs to be put altogether in some sort of package to the builder.

Executive Director stated she did not see a problem with going out for RFQs, then the builder could separate the community center from the city hall.

Member McTee asked if the Board could go out and look at some recent construction of civic centers and the construction companies that built them. Most of those companies will have an architect on staff that will draw whatever is wanted. The Board could go directly to the construction company. The Board would first decide what we wanted before a company tells us what we want. It needs to be opened up to two or three of the premiere construction companies that do that day in and day out. He stated he thought the Board could save money doing that rather than hiring an architect and then a builder. Go to the builder and have his architect draw up the plans.

Executive Director stated the Board had talked about that and was going to visit other community centers. They had put money in last year's budget for travel to see other community centers and see who built the centers. When land started going in Aransas Pass the Board decided to get the land first, then do everything else. That was when the Board focused direction strictly on land. She stated she had talked to a couple of architects that had done some of the larger community centers in the small communities around Houston. She would definitely suggest the Board pick and choose. She had the list of the community center managers she had talked to. The managers were very open about the Board talking to them, not only about the design but also about the operations aspect; do they make money? Do they lose money? How much? How would they do it differently to at least break even?

Mr. Thompson stated time is of the essence because every day they wait is another day land is going to go up, so they need to do this as quickly as they can. He agreed they need the best architect for the job and the best bang for their buck. As a general rule, cities, by State law, cannot go out for bids for engineering services and those types of professional services. He stated they needed to get the best architect for the job.

Executive Director stated you get a Request for Qualifications and from that you can choose (an architect).

Mr. Thompson stated they could get a quote, but the architect did not have to stick to it. Basically what you need when you go out for engineering or architectural services is to get people you know can do the job. This architect (WKMC) did the Portland civic center and if the Board knows of other architects that have done other civic centers, let's contact them and make a decision on which architect to use.

Mr. Gurley stated the architect would have to design the building; then give us a design package; then they would have to bid out the builder. That avoids conflict of interest.

President Jayne asked Mr. Thompson on Blocks 320, 286, 287 and that area plus City Hall, how many acres are there?

Mr. Gurley stated Roosevelt Stadium is 3.61 acres, Block 287 is 1 to 2 acres, Block 320 is 2-3 acres. The streets and alleys would also be included.

Member Boatman asked if Mr. Gurley had a ballpark figure.

President Jayne stated that was about 16 acres.

Mr. Gurley stated both those properties, which the City own, are \$350,000 to \$500,000. Block 287 is about \$240,000.

Executive Director stated from the last meeting, Mr. Gurley's figures were about 10 acres the City and the County did not own. The City owns 9 acres and the County owns 1 acre and that was 20 acres total.

Mr. Gurley stated Block 287 is 1.36 acres, Roosevelt Stadium is 3.61 acres, Block 320 is almost 4 acres, and Block 286 is 1.36 acres. Lott Avenue is 1.2 acres, Matlock Street is 1.5 acres, and 7th Street is .5 acres.

Member McTee asked is \$1.4M for everything that is highlighted on the map and that is appraised value?

Mr. Gurley stated that was real estate appraisal value. The tax appraisal value was only \$816,000.

Member Boatman asked did the \$1.4M include Block 285 and Block 321.

Mr. Gurley stated yes, all of that.

Member Boatman asked how much of Block 285 and Block 321 does the City own?

Mr. Gurley stated the City owns the streets. When the property is bought the City will close the street and it will become part of the property.

Executive Director stated Block 285 and Block 321 are \$380,000, so if the \$380,000 is taken out, it would be just over \$1M for the rest.

Member Boatman asked can the Board do what they want to do on that?

Executive Director asked how many acres was that?

Mr. Gurley stated Block 287 is 1.36 acres, Roosevelt Stadium is 3.61 acres, 7th Street is .5 acres, Lott Street is a little over .5 acres, Block 320 is 3.88 acres, Block 286 is 1.36 acres (11.21 acres total).

Member Galvan stated on Block 286 and Block 285 the Board would meet a lot of resistance from the homeowners there.

Member Boatman asked how many owners are on Block 286.

Mr. Gurley stated five owners.

Member Galvan stated six owners.

Member Williams stated the City had the power of eminent domain.

Member Galvan stated the City has the power, but he doubts very seriously that the Council would do that. He knows he would not do it. Those properties are the owner's homesteads and they live on a fixed income, the people on Blocks 286 and 285.

Mr. Gurley stated the Board should decide what size building they need so they would know how much land they need to buy.

Mr. Thompson stated configuration would play a part in it too, which direction the building would face. That is why he keeps saying the Board needs to have the drawing done.

Member Galvan asked what size is the Portland civic center?

Member Welborn stated 32,000 square feet.

Member Galvan asked what is it sitting on?

Mr. Gurley stated he didn't think it stood on property any bigger than Roosevelt Stadium and Portland is building a new City Hall and pool there.

Executive Director asked is that including parking?

Mr. Gurley stated yes.

Discussion regarding Portland community center followed.

Member McTee stated in some of the harbor development, the developers are discussing convention center/rooms in their proposals, which is a conference center, and would be in competition with the civic center, as far as utilization. In light of what has happened in New Orleans (Hurricane Katrina), the Board might want to change direction and go for a hurricane type construction for the City.

Mr. Gurley stated he could not speak for everyone in the City, but he did not want anybody left in the City when it is evacuated. The City did not need a shelter because it would be like New Orleans, if there was a 20" storm surge the City would be underwater.

Member McTee stated New Orleans (residents) knew that and they are below sea level and they stayed and there will be some that will stay here (during a hurricane).

Mr. Gurley stated if a category 4 hurricane comes in everyone needs to leave, we don't need to have a place for people to stay so that we have to feed and water them.

Member McTee stated he would disagree with Mr. Gurley at this point, and Mr. Gurley may sell him on that point.

President Jayne stated one of the key things that came from the research the Board did was, the people wanted a place big enough to be able to have proms, weddings, bigger meeting rooms and be able to break the rooms down. Then the people recommended kitchen facilities and if there are kitchen facilities, the cost would be higher. The Board has to decide what we want and where we want to start and what we want to add on to the civic center. One of the key things people wanted was to rent facilities here and not have to go to other communities and rent their facilities.

Discussion was held on recreation facilities that were suggested by the survey, such as basketball court, gym, etc.

Executive Director stated it looked like Blocks 320 and 287 and Roosevelt Stadium together are about 10 acres, counting the streets, alleys and right-of-ways.

Member McTee asked how many building are in that area?

Mr. Gurley stated there were 10 buildings total.

Executive Director stated what concerned her was, as Member Galvan stated, in Blocks 285 and 286, they were going to meet a lot of resistance in that area and the Council was not going to back them (regarding eminent domain).

Member Galvan stated they had not discussed Blocks 286 and 285; the only reason they had discussed Block 320 was because it is directly behind Roosevelt Stadium and it would give them adequate space if they want to build to the back and have the parking up front. Some of those homeowners are looking at relocating.

Member Hansen stated some of the homeowners already have their property on the market, so they wouldn't have resistance on Block 320 and the back part of it is not developed. There are people on Block 287 that want to sell.

Member Galvan stated on Block 287 there are two rent homes, on the corner of Lott and 7th Street, which is the pink and green areas on the map (Lots 31-32), the orange area on the bottom (Lots 17-21) is Mr. Lovett's place and he probably wants too much for his place, but he has frontage on the highway (Wheeler Ave.). The property could be sectioned off with a nice fence. On Block 320, the orange area (Lots 15-16), the house is on the market already, the orange area above Block 320 (Lots 19-20, Block 321) Raymond (Alvarado) has his house on the market. Member Galvan stated he and his wife were either going to rent or sell their home which is the blue area (Lots 6-7, Block 320). In the pink area (Lots 8-11, Block 320), he had spoken to Mr. Pope and he would not be opposed to selling. Mr. and Mrs. Gonzales are looking at selling, that is the green area (Lots 12-14, Block 320). He has not spoken to Mark and Linda Combs (Lots 4-5, Block 320). Phillip Hyatt (Lots 103, Block 320) is probably the only one that shows resistance, but he is open to suggestion. So they would not meet opposition there, you are not looking at eminent domain, which the City

Council wants to avoid. The back area on the other side of that or closest to Matlock, there are some lots for sale, however there are not structures on that property. He stated he would not have a problem, if City Council does not, of going into eminent domain on this property because there are no structures on it.

Mr. Gurley stated all the pink (Lots 26-29, Block 320) is church property.

Member Galvan state the property was donated to the church.

Executive Director asked what was Block 321?

Member Galvan stated it was the church in the peach area (Lots 10-16, Block 321) on the map, the Christian Center, with the graffiti on it, is in the back (Lots 1-9, Block 321). He knows the Director of the Christian Center and they would not be opposed to relocating.

Mr. Gurley stated on the other side of Block 321 there is one house on the bottom (Lots 17-20) and San Patricio County owns all the rest.

Executive Director asked what kind of neighborhood was Block 286 and 285?

Member Galvan stated on Block 286, Mr. Hernandez lives on Lot 17 and owns four more lots (Lots 17-21); Mr. and Mrs. Sturgeon's homestead (Lots 22-23); The Longorias live in the next one Lots 24-25); an elderly gentleman has the building in the green area Lots 26-29) and they are all homesteads. On Block 285 people have lived there for years on fixed incomes.

Executive Director stated there was a concern before about building on Nancy Allen and Penny Spears property because it backed up to the Projects. She asked is this going to be a situation where the community center will back up to some bad neighborhood.

Member Galvan stated there is a trailer on 12th Street, but with the new zoning the trailer will stay for a little while and after that they can't replace it, they would have to build a home.

Executive Director stated it was not so much the look of the house but the quality of the neighborhood because of the issues and concerns about people coming to the community center late at night, parking, having parties, coming out feeling safe in their vehicles.

Member Galvan stated he thought there were plans to fence the community center area off.

Discussion about the neighborhood was held.

Executive Director stated Blocks 287 and 320 would cost \$720,000. Starting with Blocks 320 and 287 which are about 9½ to 10 acres with Roosevelt Stadium; the Board could start there as a recommendation; contingent that they meet with an architect and if they decide they need more property, they would look at Block 321. That sounds like all the property they have to look at if they not going to Block 350 and Block 286 and 285 are out of the picture. The property is narrowed down by cost and issues of eminent domain.

Member McTee stated Block 321 has acreage without much in the way of buildings on it and San Patricio County owns a good portion of that, so Blocks 320 and 321 would acquire a lot of property at the least cost.

Secretary Tringali stated if they were looking at Block 320, they would have to look at Block 321 also because it is valued at \$130,000 instead of \$481,000.

Mr. Gurley stated at \$130,000, that value does not include the church because the appraiser has no way to appraise how much the church is worth and that does not include the Christian Center building.

Executive Director stated another way to look at it would be to go straight back. On Block 287, Member Galvan thought they might have some problems with the landowner on the front four lots (Lots 17-21).

Member Galvan stated the Board might meet some resistance from Mr. Lovett.

Member Welborn stated Mr. Lovett came to the Board once (offering his property for sale).

Member Galvan asked how much was he asking?

Member Welborn stated a lot.

Executive Director asked would it be worth what little property they would be getting there (fronts Wheeler Ave.)?

Member Galvan stated yes because they could close the street and use it for parking.

Vice President Comingore asked could they do that even if Mr. Lovett did not sell the front section? Could they close the street?

Member Galvan stated yes, because Mr. Lovett has highway access to his property.

Executive Director asked was that cost broken out on Block 287 (Lots 17-21)?

Mr. Gurley stated it was \$110,000 (for Lots 17-21) of the \$240,000.

Executive Director stated if Blocks 287, 320 and 321 appraisal is \$850,000, the Board could recommend not to exceed that amount to the Council. A recommendation to exclude Lots 17-21 in Block 287 could be made to Council.

Mr. Gurley stated on Block 321, the Board could ask San Patricio County to donate the property to the City.

Member Galvan stated he thought on Block 321, the Pentecostal Church will give resistance.

President Jayne asked what was the Board's recommendation? Block 287, 320, 321?

Discussion was held on safety issues in the area.

Mr. Thompson stated we need a design, we can talk all day long about the property to buy, we know about where its going to be, but if we don't have a design then he did not think they could move forward with purchasing property until they knew exactly what they need and how it is going to be configured.

Member Galvan stated plus they need to look at the civic center in Portland. Is that adequate enough for Aransas Pass or do we need something larger?

Discussion regarding the configuration of the Portland civic center was held.

Member Galvan stated he thought the Board needed to hire an architect and start securing some of the property. Some of the property is on the market. He does not think Roosevelt Stadium is adequate enough to house a city hall plus the civic center.

Executive Director stated all that was on the agenda, because the Board had not talked about architects and she did not know that it was going to come up, was a motion that could be entertained to make a recommendation to the City Council on the land for the community center. She stated she would suggest someone make a motion on what land they think the Board should recommend that the City start procurement procedure on and the Board could put on the next agenda to hire an architect and start talking to them about the design. In the meantime, the Board can get a committee together that wants to look at community centers that have been built recently and talk to the centers about the architects and see if there are others the Board might want to look at and talk to. Maybe the Board could narrow it down to two architects and talk to them and decide which one to use. Both the City and the Board needs to have a good working relationship with the architect they choose.

Discussion was held on the possibility of using the School District property.

Discussion was held on which properties to recommend and the costs of combinations of Blocks 320, 321, and 287.

Executive Director stated to remember the Board is procuring for the community center and city hall, so the District funds can only be used for the community center. The District cannot buy property for the city hall.

Mr. Gurley stated the City already owns 9 acres of it - Roosevelt Stadium and all the streets. The appraisal on Roosevelt Stadium was \$350,000.

Executive Director stated the Board was not talking about the cost of Roosevelt Stadium because there was not a cost in there for Roosevelt Stadium.

Mr. Gurley stated yes there was, on the front page.

Member Galvan stated the Board would not be purchasing land for the City, just land for the civic center. The City has already purchased their property, regardless of how you divide it up.

Executive Director stated she understood that, but in Blocks 287, 320 and 321, if that is purchased and not used for the civic center then that needs to be purchased from the City Hall proceeds.

Mr. Thompson stated there is a way to divide it up so that the money that comes from the District purchases the property, the facilities and the parking for the civic center and the money that is going toward the city hall comes from the City. The City already owns x amount of acres that are going to go against the total.

Vice President Comingore asked does the City own lots in Blocks 320, 321 and 287?

Mr. Gurley stated no, except the streets.

Vice President Comingore stated so that means City Hall could use Roosevelt Stadium and the District wouldn't need to use it for the civic center.

Executive Director stated right.

Mr. Gurley stated that's correct.

Member McTee asked what is the City's position on where they want their city hall.

Mr. Thompson stated it should be around the civic center most likely.

Mr. McTee asked facing out towards Roosevelt or backing on Block 32 or 321?

Mr. Gurley stated they wouldn't know until they get an architect, but it would seem like it would be one big building and city hall would occupy a portion of it and the civic center would occupy a portion of it. City Hall would be built onto the side of the civic center or something, not a totally separate building.

Executive Director stated it could be done but the cost for everything has to be divided. She stated at the airport they get grant monies, they get projects and bid them out together because it saves money, but then the architect, the contractor, everyone involved, has to split out their costs for each individual project so costs can be allocated. If this land is purchased with the bond proceeds then those lands, unless it changes and they want the city hall on Block 320 or 321, then somehow there has to be something between the City and the District stating the value of the land City Hall is on and the value of the land the civic center is on.

Member Boatman asked if the purchase of the property was contingent on purchasing the entire Blocks, except for the corner lots (Lots 17-21) of Block 287?

Executive Director stated yes.

ITEM 5.

**CONSIDER AND ACT ON RECOMMENDATION TO CITY COUNCIL
ON LAND FOR COMMUNITY CENTER**

Member Welborn made the motion to recommend to the City Council the purchase of all of Blocks 287, 320 and 321 for the community center with a purchasing cap of \$900,000, and with the exception of Lots 17-21, Block 287 if the lots cannot be purchased within the \$900,000 cap. Vice President Comingore seconded the motion. Motion carried.

ITEM 6.

CONSIDER AND ACT ON PROPOSED FY 2005/06 BUDGET.

Executive Director made a presentation of the FY 2005/2006 budget. The FY 2005/2006 is attached to these minutes.

Executive Director stated there was resolution on the retainage. The case has been settled and Mr. Arnold Govella, the District's attorney on this matter, has been sending request for payment for the subcontractors. The case was settled for the amount the District has in retainage, which is \$136,713.00 with no interest.

Executive Director asked if there were any questions.

Mr. Thompson stated \$23,000.00 was to repair the pool, that money was the last payment in order to take care of the punch list on the pool. He just wanted to make the Board aware that the City would be using that \$23,000.00 correct those construction problems on the punch list.

Executive Director stated it was her understanding those problems were corrected. The District did pay \$18,000.00 in 2004 on the swimming pool. There were some expenditures given to the Board and she thought that was to take care of the punch list issues.

Mr. Gurley stated the \$18,000.00 helped pay for patching the kiddie pool. There are still anchors gone on the pad walk, and other punch list items.

Executive Director stated okay, any of that. She asked Mr. Gurley to give her a list and she would give it to the Board.

Member Welborn asked if repairing the punch list items could be more than that amount?

Mr. Thompson stated it could be.

Member Welborn asked how much more?

Mr. Gurley stated he would not know until he put all the numbers in.

Executive Director stated she wanted to caution this money was only for the construction of the swimming pool, this was bonds that was issued for construction; it is not for maintenance and operations.

Mr. Thompson asked could the bond money be used for maintenance and operations?

Executive Director stated she would look back at the issue, but she thought the issue specifically talked about construction.

Member Williams made the motion to accept the FY 2005/2006 budget. Member Welborn seconded the motion. Motion carried.

ITEM 7.

CONSIDER AND ACT ON PROPOSAL FOR AUDIT SERVICES FOR FY 2004/05 BY MICHAEL A. ARNOLD PLLC.

Executive Director stated she had the proposal for the 2004/2005 audit from Mr. Arnold for the amount of \$2,000.00.

Member Boatman made the motion to contract Mr. Michael A. Arnold for the District's 2004/2005 audit for the cost of \$2,000.00. Member Hansen seconded the motion. Motion carried.

ITEM 8.

DIRECTOR'S REPORT.

Executive Director stated the retainage issue was resolved. She had sent checks out for the subcontractors.

ITEM 9.

CITIZEN'S COMMENTS.

There were none.

ITEM 10.

GENERAL DISCUSSION.

President Jayne stated he had sent several guests to the swimming and received negative comments from them about the cleanliness of the pool area.

Mr. Gurley stated attendance has been up to 20,000 per day and he has hired someone to pick up trash. They try to keep it as clean as possible. He stated he would check it out.

ITEM 11.

ADJOURNMENT OF MEETING.

Secretary Tringali moved to adjourn the meeting. There was a second by Member Welborn. Motion carried.

Meeting was adjourned at 8:05 p.m.

Robert Jayne,

President

Hope Comingore

Vice President

ATTEST:

Ada Owens

Recording Secretary